

**For Immediate Release:**

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## **Statement from Mayor Reed regarding San Jose's Pension Ballot Measure Vote**

*San Jose, Calif.* - On June 5, San Jose voters approved a pension reform ballot measure with 69.58% of the vote. Under Measure B, city employees in San Jose will retain pension benefits earned and accrued to date. On a going-forward basis, the following changes were approved:

- New Employees would be placed in a new, lower-cost retirement plan
- Current employees would be given the option to either: a) pay more to keep their current retirement plan or b) opt-in to a new, lower-cost retirement plan
- The City Council would have the ability to temporarily suspend retirees' Cost of Living Adjustments (COLAs) during a fiscal and service level emergency
- Disability retirement rules would be reformed to prevent abuses
- "Bonus" Pension Checks from the Supplement Retiree Benefit Reserve (SRBR) would be discontinued
- Voter approval would be required to enhance retirement benefits in the future (other cities, like San Francisco, already require this)

More complete details on the pension ballot measure are available online at:

<http://www.sanjoseca.gov/DocumentCenter/View/3963>

Mayor Chuck Reed released the following statement:

*"I want to thank the voters of San José for their commitment to fiscal reform and to creating a more sustainable future for our children and grandchildren, for our businesses and neighborhoods, and for the City workers who provide the services we enjoy.*

*San Jose has experienced ten years of chronic budget shortfalls, service cuts, job eliminations and layoffs, leading to uncertainty for our employees. The last few months have been challenging, and I hope we can put those challenges behind us. San Jose has the best employees in the state, and I hope we can work together to implement the retirement choices for current employees outlined in Measure B and to move forward with the remaining fiscal reforms so we can restore services to our residents and community.*

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*Next week, on June 12, the City Council, will vote on [the details of “second tier” pension benefits](#) for new civilian employees and a [new lower cost healthcare plan](#) that will moderate the growing costs of retiree healthcare that are shared by employees and the City together. This is an important next step in implementing the fiscal reform plan.*

*I look forward to a day when we can talk about adding rather than subtracting – when we can add the police officers, firefighters, librarians, and gang intervention workers that our community needs. Solving our fiscal problems will ensure a high quality of life for our residents and a sustainable pension system for workers who have served the City throughout their careers. As we move forward, I urge everyone to work together to ensure that we can pay our retirees the benefits they have earned and provide the critical services to our residents and taxpayers.”*

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Note: the hyperlinks in this press release were updated on Nov. 7, 2012 to direct readers to the new City of San Jose website. No other changes were made to the content of this document.